BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF SUEZ WATER IDAHO)	CASE NO. SUZ-W-20-02
INC.'S APPLICATION FOR AUTHORITY)	
TO INCREASE ITS RATES AND CHARGES)	
FOR WATER SERVICE IN IDAHO)	ORDER NO. 35063
)	

On September 30, 2020, SUEZ Water Idaho Inc. ("Company") applied to increase its rates and charges for water service in Idaho. The Company proposed to increase its rates by \$10,160,211—an average of 22.3%. The Company proposed to apply the rate increase uniformly to all customer classes, including miscellaneous service charges and fees. The Company also requested an October 31, 2020 effective date.

On March 17, 2021, a Stipulation and Settlement ("Settlement") and a motion for Commission approval of the proposed Settlement were filed with the Commission. *See* IDAPA 31.01.056, .272, .274. Under the proposed Settlement, the Company would be allowed to implement revised tariff schedules designed to recover an additional \$3.996 million, representing an 8.75% increase in revenue.

On April 30, 2021, the Commission approved the Settlement, with rates effective May 1, 2021. Order No. 35030. In its order approving the Settlement, the Commission authorized the Company to include \$40,000 of presumed intervenor funding in its revenue requirement for the May 1, 2021 through April 30, 2022 period, but noted that it would consider petitions for intervenor funding in a future order. *Id.* at 10.

On May 3, 2021, SUEZ Water Customer Group ("SWCG") filed a timely petition for intervenor funding. On May 4, 2021, Community Action Partnership Association of Idaho ("CAPAI") filed a timely petition for intervenor funding.

SWCG'S PETITION FOR INTERVENOR FUNDING

SWCG's petition includes an itemized list of expenses totaling \$11,025.00—all legal fees. SWCG Petition at 2. SWCG argues these expenses are reasonable given that SWCG's legal counsel charged an hourly rate of \$225 per hour, well below his standard rate of \$405 per hour. *Id.* at 3. SWCG notes that the expenses it incurred as part of this proceeding are a financial hardship because SWCG's funding comes mostly from individuals, "most of whose contributions are unpredictable, sporadic, and limited in amount." *Id.*

SWCG states that its proposed findings and recommendations can be found in its November 10, 2020 petition to intervene, in which it asserted "the Applicant's proposed rate increase of 22.3% is unjust and unreasonable and threatens to impose considerable 'rate shock' on [the Company's] customers, and should therefore not be granted...." *Id.* SWCG asserts that its maintenance of this position throughout the proceeding materially contributed to the Settlement. *Id.* SWCG argues its contribution to the proceeding differed from Commission Staff's, observing that "Staff was an effective intermediary between the Intervenors and the [Company]," whereas SWCG consistently maintained the proposed 22.3% rate increase was too high and, in addition advocating for a lower increase, argued for phased-in rate increase approach. *Id.* at 4. "This difference in focus contributed materially to the [Settlement] that was ultimately accepted by the Commission." *Id.* SWCG asserted its position and recommendation in the proceeding addressed issues of concern to the general body of utility users and consumers. *Id.* at 4-5.

CAPAI'S PETITION FOR INTERVENOR FUNDING

CAPAI's petition includes an itemized list of expenses totaling \$11,067.00—all legal fees. CAPAI Petition, Exhibit A. CAPAI argues these expenses are reasonable given CAPAI's legal counsel charged an hourly rate of \$170, well below his standard rate of \$225 per hour. *Id.* at 4. CAPAI asserts the expenses it incurred as part of this proceeding are a financial hardship for many reasons, most notably because CAPAI's federal funding "is never a certainty." *Id.* at 5.

CAPAI notes that throughout the proceeding CAPAI argued the Company's proposed rate increase was much too high and would cause rate shock for the Company's low-income customers. *Id.* at 3. Additionally, CAPAI advocated for discussions with the Company to enhance the Company's "SUEZ Cares" bill assistance program. *Id.* CAPAI points to Paragraph 14 of the Settlement, in which the Company agreed to meet with CAPAI to consider improvements to the Company's low-income assistance program. *Id.* CAPAI argues its contribution to the proceeding differed from Commission Staff's, observing that "CAPAI specifically represented the interests of SUEZ's low-income customers while Staff understandably focused on all customers and customer classes." *Id.* at 7.

COMMISSION FINDINGS AND DISCUSSION

Intervenor funding is available under *Idaho Code* § 61-617A, which declares it is the "policy of [Idaho] to encourage participation at all stages of all proceedings before the commission so that all affected customers receive full and fair representation in those proceedings." The statute

empowers the Commission to order any regulated utility with intrastate annual revenues exceeding \$3.5 million to pay all or a portion of the costs of one or more parties for legal fees, witness fees and reproduction costs not to exceed a total for all intervening parties combined of \$40,000. *Id.* The Commission's determination on an intervenor funding request shall be based on the following considerations:

- (a) The intervenor's participation materially contributed to the Commission's decision:
- (b) The costs of intervention are reasonable in amount and would be a significant financial hardship for the intervenor;
- (c) The intervenor's recommendation differed materially from Commission Staff's testimony and exhibits; and
- (d) The intervenor's testimony and participation addressed issues of concern to the general body of users or consumers.

See Idaho Code § 61-617A(2). To obtain an intervenor funding award, an intervenor must comply with Commission Rules of Procedure 161 through 165. Rule 162 provides the form and content for the petition. IDAPA 31.01.01.162.

We find that SWCG and CAPAI's petitions satisfy the intervenor funding requirements. Both parties intervened and participated in all aspects of the proceeding. Both parties' petitions show they worked closely with the Company and Staff throughout the case. SWCG observed that by holding firmly throughout the negotiations to the position that the Company's proposed 22.3% rate increase was too high, SWCG contributed to the lower rate increase reflected in the Settlement. Likewise, CAPAI noted that because of its efforts the Settlement includes a provision between the Company and CAPAI to discuss improvements to the Company's low-income assistance program.

The Commission finds that SWCG and CAPAI materially contributed to the Commission's decision. Both parties' recommendations materially differed from Staff's recommendations, and SWCG and CAPAI's participation addressed issues of concern to the general body of customers. Finally, we find the costs and fees incurred by SWCG and CAPAI are reasonable in amount, and that both parties, as non-profit organizations, would suffer financial hardship if the requests are not approved.

Accordingly, we find it reasonable to award SWCG \$11,025.00 and CAPAI \$11,067.00 in intervenor funding, with the amounts to be recovered from the Company's General Metered Service customers. The Commission authorized the Company to include in its revenue requirement the full \$40,000 possible for intervenor funding in Order No. 35030 for rates effective from May 1, 2021 through April 30, 2022. *See Idaho Code* § 61-617A. This is a one-time payment and will not be included in base rates after April 30, 2022. We now authorize a total of \$22,092 be paid to the above intervenors. The difference of \$17,908 will be deferred and returned to customers as a revenue requirement reduction in the Company's next rate case.

ORDER

IT IS HEREBY ORDERED that SWCG'S petition for intervenor funding is granted in the amount of \$11,025.00 to be recovered from the Company's General Metered Service customers.

IT IS FURTHER ORDERED that CAPAI's Petition for Intervenor Funding is granted in the amount of \$11,067.00 to be recovered from the Company's General Metered Service customers.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21 days of the service date of this Order. Within seven days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9th day of June 2021.

PAUL KJELLANDER, PRESIDENT

KRISTINE RAPER, COMMISSIONER

ERIC ANDERSON, COMMISSIONER

ATTEST:

Jan Noriyuki
Commission Secretary

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